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NAIROBI FOR MICHAEL FITZPATRICK
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TAGS: [PGOV](#) [KDEM](#) [PINR](#) [PA](#)
SUBJECT: PARAGUAY'S INTERNAL ELECTIONS DISPLAY ITS
POLITICAL DYSFUNCTIONALITY

Classified By: Political Counselor James P. Merz for Reason
1.4 (b),(d)

1. (SBU) Summary: The campaign for the Colorado Party Presidency and membership on its Executive Board has put on prominent display the dysfunctionality of Paraguay's political process. President Duarte is running for the office of Party President despite his original announcement he had no intention of exercising the position; later he announced he might retain the office. Meanwhile, the Superior Elections Tribunal (TSJE), generally regarded as one of Paraguay's more independent and transparent institutions, has ruled that Duarte is permitted to run for the office of Party President but according to the Constitution is barred from exercising it. Much of the government's regular business has been put on hold as the President and many of the government's civil servants have devoted their time and state resources to campaign efforts.

2). (C) The race has been more characterized by visceral name-calling than a substantive discussion of the issues. The conventional wisdom remains that Duarte should win the race for Party President over Osvaldo Dominguez Dibb (ODD), a businessman notorious for involvement in the sale of contraband cigarettes and other illicit activities. However, Duarte's "list" of candidates is locked in a tough battle for a control of the seats in the Party's Executive Board. A failure by Duarte's list to win a majority of the seats could set the stage for maneuvering amongst the party's competing factions to elect a Vice-President who would then become the Party's acting head should Duarte turn over the reins. ODD's camp has indirectly threatened violence should they detect massive fraud. No doubt fraud will figure in results, but Duarte's command of the party machinery promises to be the decisive factor. The real question is whether Duarte will be able to win by a large enough margin in a credible election to reclaim the initiative and focus he needs to advance reform. End Summary.

Election Concern

3. (SBU) The TSJE has won high marks in the past for its transparency, independence, and competence in overseeing past elections. Its efforts in administering an internal election, however, are complicated by the fact that it will share that responsibility with the Colorado Party's Elections Tribunal (TEP) which in the past has been subject to bias and

fraud. On 2/14, PolOff met with TSJE Director of Public Relations, Liliana Benitez, who indicated that senior TSJE officials are concerned TEP or individual candidates might announce results prematurely, casting doubt on the final results TSJE announces. PolOff suggested that TSJE discuss this matter directly with the TEP and candidates, requesting they refrain from announcing results or declaring victory until after all votes are counted.

14. (SBU) Separately, according to Benitez, the TSJE is concerned that a number of TSJE employees are prepared to sell their support to the highest bidder. This could involve their encouraging voters to support one-candidate over another. More seriously, it could mean they would allow individuals to vote with false documents.

The Supreme Confusion

15. (C) The TSJE has twice affirmed that Duarte can run as a candidate for the Party Presidency but is constitutionally barred from assuming the presidency. On 2/14, the Supreme Court upheld the TSJE's opinion that Duarte can run for election but withheld its views regarding whether he can actually exercise the office. President Duarte had initially announced his intention to turn over the office should he be elected in which case the responsibilities would flow to the individual elected first Vice-President by members of the newly elected Executive Board. Duarte's "list" for seats on the Executive Board may not win a majority, creating the possibility his opponents could successfully elect their candidate as Vice-President. Duarte has thus indicated that he may bid to retain the presidency should he be elected, taking the decision to the Supreme Court for an official ruling. (Comment: The Supreme Court recently elected a new

President and a pair of Vice Presidents generally viewed as responsive to Senator Juan Carlos Galaverna, Duarte's principal political operator. Practically everything remains possible in Paraguay when it comes to the rule of law making it hard to predict how the Court would rule on such a major decision. End Comment.)

The Race for Vice-President

16. (SBU) Should Duarte win but decide to step down, the election of the Vice-President becomes pivotal. Jose Alberto Alderete, Duarte's Minister of Public Works and the first name on Duarte's list for the Executive Board, enjoys the edge for gaining election as the First Vice-President. However, Galaverna, second on Duarte's list, is rumored to be lining up votes to win the election. Should Duarte's list not win a majority of members to the Executive Board he will need to vie for votes from the list of Liliana Samaniego, former Senator and President of Colorado Women's Association. Samaniego has said she supports Duarte's bid for the Presidency but is viscerally opposed to Galaverna. Duarte has slammed her in the press for creating her own list but reportedly is courting her support privately. Of course, ODD's camp is also courting Samaniego. The leading names on her list include strong Duarte supporters suggesting Duarte's candidate could gain election with votes from Samaniego -- it's just not clear whether they would support Alderete or Galaverna or leverage their support for a third candidate.

Internal Bleeding

17. (U) With the election only two days away, the Colorado Party's election for Party President and members to its Executive Board has deteriorated into visceral personal attacks and accusations of corruption on both sides. ODD's newspaper ran a multi-day series on Duarte's real estate and other holdings, alleging they were obtained through corruption. Some opposition figures joined calls to

investigate the source of Duarte's assets. Duarte responded by accusing ODD of being a criminal. Duarte's supporters have resorted to using government resources to advance their campaign effort by enlisting government employees to campaign as well as using government assets, including vehicles and possible funds, to support the campaign. FM Leila Rachid recently hosted a fund-raiser for Duarte. Both she and Deputy Foreign Minister Luis Morinigo called on the public employees to vote for Duarte and his list. Neither Duarte nor ODD has spoken substantively on policy issues beyond platitudes. ODD's supporters have issued veiled threats of violence should they decide the election was determined by massive fraud. Most observers believe that Duarte's command of the party's machinery over fraud will prove the decisive factor in this election.

Comment

18. (C) Conventional wisdom suggests Duarte will win the election for Colorado Party Presidency. He could also well win a majority of seats to the Party's Executive Board and, if not, enjoys a better chance than not of securing the votes he needs to elect a supporter to assume the board's reins should he decide to step down. The broader question, however, is whether he can win by a large enough margin in an election viewed as generally clean to restore his image and stature as the most important political player in Paraguay. Over the last two months, much of the government's work has been placed on hold as Duarte and his team have devoted themselves to campaigning. Many important decisions, some directly pertaining to our own interests -- on visas, the work of investigative units -- have been held up pending results. An ugly campaign consisting of much name calling and nasty allegations of corruption have damaged Duarte's reputation. With municipal primaries in the offing, the concern becomes whether Duarte can reclaim the initiative and focus he needs to advance reform.

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